

Lawrence County

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RECORDING COVER PAGE

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Document Type: Oil & Gas Lease

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RETURN TO:

BOCOR HOLDINGS LLC 7793 PITTSBURG AVE NW NORTH CANTON, OH 44720 SUBMITTED BY:

BOCOR HOLDINGS LLC 7793 PITTSBURG AVE NW NORTH CANTON, OH 44720

PARCEL ID: 24-099500 NUMBER OF IDS: 1

PARTY 1: IRENE T MATTIE

CONSIDERATION/SECURED AMT:

\$0.00

\$28.50

FEES / TAXES:

\$18.50 Recording Fee \$0.00 SOV Fee \$10.00 Parcel ID Certification Fee

Total:

Document Number: 2008-008381 Recorded Date: 08/22/2008

I hereby CERTIFY that this document is recorded in the Recorder's Office of Lawrence County, Pennsylvania



Janet L. KalaJainen Recorder of Deeds

NOTE: If document data differs from cover sheet, document data always supersedes. *COVER PAGE MAY NOT INCLUDE ALL DATA, PLEASE SEE INDEX AND DOCUMENT FOR ANY ADDITIONAL INFORMATION.

DO NOT REMOVE - THIS PAGE IS PART OF THE RECORDED DOCUMENT.

Document Number: 2008-008381

OIL AND GAS LEASE

THIS AGREEMENT, made and entered into this May 15 Irene T. Mattie	, 2008 by and between
of 384 Carlisle Rd and BoCor Holdings LLC; Phone 330 494 1221, her Ave NW North Canton. Ohio 44720 hereinafter called the Lessee.	reinafter called the Lessor, and BoCor Holdings LLC, 7793 Pittsburg
WITNESSETH:	
1. That the Lessor, for and in consideration of one dollar (\$1.00) and other valuable acknowledged, and the covenants and agreements hereinafter contained, does hereby operation for, producing and removing oil and gas and all the constituents thereof, and any subsurface strata, other than potable water strata and workable coal strata, (inc property and to otherwise conduct all such secondary or tertiary operations as may be otherwise across and through said lands oil, gas and their constituents from the subject wells, which right to transport gas from other properties across the leasehold premise such gas may be desired by the Lessee, and of placing of tanks, equipment, roads and with the right to enter into and upon the leased premises at all time for the aforesai Township, Lewrence County State of Pennsylvania Parreel	y lease and let excustively mind the Lessee, in the phose of chinal- loci injecting air, gas, brine and other substances from any source and into- cluding but not limited to the right to inject any wells on the leasehold e required in the opinion of the Lessee,) and to transport by objetines or and other lands, regardless of the source of such gas or the location of the ess shall survive the term of this lease for so long as the transportation of distructures thereon to procure and operate for the said products, together d purposes, being all that certain tract of land situated in of Mahoning
	Certified by KQ
North by lands of: Make r	
East by lands of PA state line	
South by lands of: Arendas.	
West by lands of: Multiple lots	40
being all the property owned by Lessor or to which the Lessor may have any rights in sa property described in Deed Volume Page of the Mahoning County F	id Section/lots/Districts, containing 22 acres, more or less, and being the Record of Deeds.
2. This lease shall continue in force and the rights granted hereunder be quietly enjoyed by or gas or their constituents are produced or are capable of being produced on the premises is be operated by the Lessee in the search for oil and gas and as provided in Paragraph 7 follow. 3. This lease, however, shall become null and void and all rights of either party hereunder well shall be commenced on the premises, or unless the Lessee shall thereafter pay a delay	y the Lessee for a term of three years and so much longer thereafter as oil newing quantities, in the judgment of the Lessee, or as the premises shall wing shall cease and terminate unless, within 12 months from the date hereof, a creatal of \$10 per acre each year, payments to be made annually until the
commencement of a well. A well shall be deemed commenced when preparations for drilling 4. In consideration of the premises the Lessee convenants and agrees; (A) To deliver to the credit of the Lessor in tanks or pipelines, as royalty, free of cost, the edit at Lessee's option to pay Lessor the market price for such one-eighth (1/8) royalty oil as such oil is run into tanks or pipelines. (B) To pay to the Lessor, as royalty for the gas marketed and used off the premises and purpose pressures, on the basis of 10 ounces above 14.73 pounds atmospheric pressure, at a standard flow Fabrenheit, without allowance for temperature and becometric variations less any chargale. Payment or royalty for gas marketed during any calendar month to be on or about the (C) Lessee to deduct from payments in (A) and (B) above from receipts of proceeds by Les (D) in the event Lessee does not sell the gas to others, Lessor shall be paid on the basis of well head for gas of like kind and quality, and on the same basis that such utility would pay for such gas as if a contract for the sale of same had been entered into at the time of initial p	equal one-eighth (1/8) part of all oil produced and saved from the premises, it the published rate for oil of like grade and gravity prevailing on the date roduced from each well drilled thereon, the sum of one-eighth (1/8) of the din accordance with Boyle's Law for the measurement of gas at varying d base temperature of 60° Fahrenheit and stipulated flowing temperature of ges for transportation or compression paid by Lessee to deliver the gas for 30th day after receipt of such funds by the Lessee. see, Lessor's prorata share of any tax imposed by any government body, fit he lowest field market price paid by any public utility in the state at the y for such gas, including any escalation in price that such utility would pay
5. All money due under this lease shall be paid or tendered to the Lessor by chat Same as above and the said named person shall continue as Lessor's agent to re ownership in the premises, or in the oil or gas or their constituents, or in the rentals or royal ownership as hereinafter provided.	teck made payable to the order of and mailed to. Same as above preive any and all sums payable under this lease regardless of changes in
6. The Lessor may, at Lessor's sole risk and cost, lay a pipeline to any one gas well on the residence and in one garage on the leased premises, at Lessor's own risk, subject to the usary curtailments or shut-in by any purchaser of the gas. The first three-hundred thousand of four-hundred thousand cubic feet of gas taken in each year shall be paid for at the last premises or the field market rate, whichever is lower. Lessor to lay and maintain the pexpense. Lessor shall also, at the request of Lessee, install a meter to measure said gas. The to and be bound by the reasonable rules and regulations of the Lesser relating to use of firthe said pipeline, regulators and equipment in good repair and free of all gas leaks and op Lessor shall take excess gas as aforesaid in any year and fail to pay for the same, the Lessor acknowledges that he has been advised as to the assume all such risks whether same be caused by Lessor's lines or equipment, or whether so to hold Lessee and the well operator and all parties in interest in any well on the leasehold rise by the usage of gas from any such well by Lessor, his heirs, executors, administrato leaschold premises wherein someone other than the Lessor is entitled to take the gas under Buyer of the property executes an agreement regarding the usage of the gas in the same for the death in the passing the health promiser.	use and the right of abandoniment of the wind by the Lesseet, and subject to cubic feet of gas taken each year shall be free of cost, but all gas in excess published rates of the gas utility in the town or area nearest to the leased ipelline and furnish regulators and other necessary equipment at Lessor's his privilege is upon the condition precedent that the Lessor shall subscribe the gas, tecelpt of which is hereby acknowledged, and Lessor shall maintain erate the same so as not to cause waste or unnecessary leaks of gas. If the see may deduct payment for such excess gas from any rentals or royalities he risks inherent in the taking of gas in this manner, and Lessor agrees to ame be caused by Lessee's equipment or well operation; and Lessor agrees to premises harmless from any claims of any nature whatsoever which may us and assigns. Lessor further agrees that upon the sale or transfer of the this Pangraph 6, that the gas supply will be terminated by Lessee until the name as the which agreement free gas

7. In the event a well drilled hereunder is a dry hole and is plugged according to law, this lease shall become null and void and all rights of either party hereunder shall cease and terminate, unless within (12) months from the date of the completion of the plugging of such well, the Lessee shall commence another well, or unless the Lessee after the termination of said twelve month period resumes the payment of delay rental as hereinabove provided.

under this provision shall terminate, the within right of free gas not being assignable without the consent of the Lessee.

- 8. In the event a well drilled hereunder is a producing well and the Lessee is unable to market the production therefrom, or should production cease from a producing well drilled on the premises, or should the Lessee desire to shut in producing wells, the Lessee agrees to pay the Lesser, commencing on the date one year from the completion of such producing well or the cessation of production, or the shutting in of producing wells, an advance royalty in the amount and under the terms hereinabove provided for delay rental until production is marketed and sold off the premises or such well is plugged and abundoned according to law. In the event no delay rentals are stated, the advance royalty payable hereunder shall be made on the basis of \$1.00 per acre per year.
- 9. The consideration, land rentals or royalties paid and to be paid, as herein provided, are and will be accepted by the Lessor as adequate and full consideration for all the rights herein granted to the Lessee, and the further right of drilling or not drilling on the leased premises, whether to offset producing wells on adjacent or adjoining lands or otherwise, as the Lessee may elect.
- 10. The Lessor hereby grants to the Lessee the right at any time to consolidate the leased premises or any part thereof or strate therein with other lands to form an oil and gas development unit of not more than 320 acres, or such larger unit as may be required by state law or regulation for the purpose of drilling a well thereon, but

the Lessee shall in no event be required to drill more than one well on such unit. Any well drilled on said development unit whether or not located of the leased premises, shall nevertheless be deemed to be located upon the leased premises within the meaning and for the provisions and covenants of this lease to the same effect as if all the lands comprising said unit were described in and subject to this lease, provided, however, that only the owner of the lands on which such well is located may take gas for use in one dwelling house on such owner's lands in accordance with the provisions of this lease, and provided further that the Lessor agrees to accept, in lieu of the one-eighth (1/8) oil and gas royalty hereinbefore provided, that proportion of such one-eighth (1/8) royalty which the acreage consolidated bears to the total number of acres comprising said development unit. The Lesses shall effect such consolidation by executing a declaration of consolidation with the same formality as this oil and gas lease setting forth the leases or portions thereof consolidated, the royalty distribution and recording the same in the recorder's office at the courthouse in the county in which the leased premises are located and by mailing a copy thereof to the Lessor at the address hereinabove set forth unless the Lessee is furnished with another address. If the well on said development unit shall thereafter be shut in, the well rental or shut-in royalty hereinbefore provided for such use shall be payable to the owners of the parcels of land comprising said unit in the proportion that the acreage of each parcel bears to the entire acreage consolidated. Lessee shall have the right to amend, after or correct any such consolidation at any time in the same manner as herein provided.

- 11. In case the Lessor owns a less interest in the above described premises than the entire and undivided fee simple therein, then the royalties and rentals herein provided for shall be paid to the Lessor only in the proportion which such interest bears to the whole and undivided fee. If said land is owned by two or more parties, or the ownership of any interest therein should hereafter be transferred by sale, devise or operation of law, said land, nevertheless, may be held, developed and operated as an entirety, and the rentals and royalties shall be divided among and paid to such several owners in the proportion that the acreage owned by each such owner bears to the entire leased acreage.
- 12. No change of ownership in the leased premises or in the rentals or royalties hereunder shall be binding on the Lessee until after notice to the Lessee by delivery of notice in writing duly signed by the parties to the instrument of conveyance or assignment and delivery of a duly certified copy thereof to the Lessee.
- 13. The Lessee shall have the right to assign and transfer the within lease in whole or in part, and Lessor waives notice of any assignment or transfer of the within lease. Failure of payment of rental or royalty on any part of this lease shall not void this lease as to any other part. Lessor agrees that when and if the within lease is assigned, the Lessee herein shall have no further obligations hereunder. The Lessor further grants to the Lessee, for the protection of the Lessee's interest hereunder, the right to pay and satisfy and claim or lien against the Lessor's interest in the premises as herein leased and thereupon to become subrogated to the rights of such claimant or lien holder, and the right to direct payment of all rentals and royalties to apply on the payment of any existing liens on the premises.
- 14. The Lessee shall bury, when so requested by the Lessor, all pipelines used to conduct oil and gas to, on, through and off the premises and pay all damages to growing crops caused by operations under this lease. Lessee agrees to restore the premises in accordance with state laws. Any damages if not mutually agreed upon, to be ascertained and determined by three disinterested persons, one thereof to be appointed by the Lessee, and the third by the two so appointed. and the award of such three persons shall be final and conclusive and binding on all partles. Each party shall pay the cost of their appraiser and shall share the cost of the third appraiser. Arbitration shall be mandatory. No well shall be drilled within 100 feet of any existing barn or dwelling.
- 15. The Lessee shall have the privilege of using sufficient oil, gas and water for operating on the premises and the right at any time during or after the expiration of this lease to remove all pipe, well casing, machinery, equipment or fixtures placed on the premises. The Lessee shall have the right to surrender this lease or any portion thereof by written notice to the Lessor describing the portion which it elects to surrender, or by returning the lease to the Lessor with the endorsement of surrender thereof, or by recording the surrender or partial surrender of this lease any of which shall be a full and legal surrender of this lease as to all of the premises or such portion thereof as the surrender shall indicate and a cancellation of all liabilities under the same of each and all parties hereto relating in any way to the portion of all the premises indicated on said surrender, and the land rental hereinbefore set forth shall be reduced in proportion to the acreage surrendered
- 16. In the event the Lessee is unable to perform any of the acts to be performed by the Lessee by reason of force majeure, including but not limited to acts of God, strikes, riots, and governmental restrictions including but not limited to restrictions on the use of roads, this lease shall nevertheless remain in full force and effect until the Lessee can perform said act or acts and in no event shall the within lease expire for a period of ninety days after the termination of any force majoure
- 17. In the event Lessor considers that Lessee has not complied with any of its obligations hereunder, either express or implied. Lessor shall notify Lessee in writing setting out specifically in what respects Lessee has breached this contract. Lessee shall then have thirty (30) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of thirty (30) days after service of such notice on Lessee. Neither the service of said notice nor the doing of any acts by Lessee aimed to meet all or any part of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform
- 18. In consideration of the acceptance of this lease by the Lessee, the Lessor agrees for himself and his heirs, successors and assigns, that no other lease for the minerals covered by this lease shall be granted by the Lessor during the term of this lease or any extension or renewal thereof granted to the Lessoe herein
- 19. All covenants and conditions between the parties hereto shall extend to their heirs, personal representatives, successors and assigns, and the Lessor hereby warrants and agrees to defend the title to the lands herein described. It is mutually agreed that this instrument contains and expresses all of the agreements and understandings of the parties in regard to the subject matter thereof, and no implied covenant, agreement or obligation shall be read into this agreement or imposed upon the parties in regard to a support matter than the improvement of configuration shall be created as a support the parties or either of them. Lessor further agrees to sign such additional documents as may be reasonably requested by Lessee to perfect Lessee's title to the oil and gas leased herein and such other documents relating to the sale of production as may be required by Lessee or others. Lessee further agrees to sign a release prior to the use of free gas, and hold lessee harmless from same.

Signed and acknowledged in the presence of:	Signature J. 7	nattie
	Trene 1. 1	Mattie
STATE OF OHIO		
STATE OF OHIO	SS:	INDIVIDUAL
COUNTY OF MAHONING		INDIVIDUAL
Before me a Notary Public in and for acknowledged to me that they did execute the fore	said county and state personally appears going instrument and that the same is their	ed the above named IRTHE MATTE
In Testimony Whereof, I have hereunto	set my hand and affixed my official seal a	or Safern, OH this
		Notary Public

North Canton, Ohio 44720



SETH M. KIENZLE Notary Public and for the State of Ohio My Commission Expires November 15, 2011